

EXHIBIT 52

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

SECURITIES AND EXCHANGE)
COMMISSION)
)
Plaintiff,)
)
-against-) Civil Action
) No.: 5:21-cv-785-XR
ROBERT J. MUELLER, DEEPROOT)
FUNDS LLC (a/k/a dprt Funds,)
LLC, AND POLICY SERVICES,)
INC.,)
)
Defendants,)
)
-and-)
)
DEEPROOT TECH LLC, DEEPROOT)
PINBALL LLC, DEEPROOT)
STUDIOS LLC, DEEPROOT)
SPORTS & ENTERTAINMENT LLC)
DEEPROOT RE 12621 SILICON)
DR LLC, AND ROBERT J.)
MUELLER, JEFFREY L. MUELLER,)
AND BELINDA G. BREEN, AS)
CO-TRUSTEES OF THE MB HALE)
OHANA REVOCABLE TRUST,)
)
Relief Defendants.)

VOLUME 1 OF 1
ORAL AND VIDEOTAPED DEPOSITION OF
NATHAN SPRADLIN
MARCH 21, 2023
(CONDUCTED REMOTELY.)

1 payment fit into this paragraph or not. I don't recall
2 that. But, like, reading it, administrative expense --
3 expenses, like if I were to list out administrative
4 expenses, it would be, like, office paper and computer
5 supplies and like that. That kind of stuff is how I
6 would classify that. But when I was working there --
7 again, without really specifically looking at this
8 paragraph for those 575P payments, I'm not sure how I
9 intended or understood that at that time.

10 **Q. (BY MS. WARDEN) Did you think that periodic**
11 **payments from the 575 Fund could be paid to investors**
12 **based upon the company advance provision in the ppm?**

13 **MR. HULINGS:** Calls for a legal conclusion.
14 Calls for an opinion from a lay witness and asked and
15 answered.

16 A. Yes.

17 **Q. (BY MS. WARDEN) Yes, you thought monthly**
18 **payments --**

19 A. Yeah.

20 **Q. -- for 575P investors could be paid based upon**
21 **this provision in the company advance?**

22 A. Correct.

23 **Q. Because a monthly payment to 575P investors**
24 **could be a nominal administration expense in your**
25 **opinion?**

4 A. I believe in my last testimony that's what I
5 initially had said. But then as they questioned me,
6 asking me what an administrative expense is, I came to
7 understanding that that probably was not an
8 administrative expense.

9 Q. (BY MS. WARDEN) I'm sorry. I'm confused. So
10 just sitting here today, would you consider monthly
11 payments that were made to 575P investors -- would you
12 consider that a nominal administration expense?

16 A. Sitting here today, no.

17 Q. (BY MS. WARDEN) And why not?

18 | MR. HULINGS: Same objections.

19 A. Nominal being small, administrative being what
20 we just discussed around what an administrative expense
21 is.

22 Q. (BY MS. WARDEN) Okay. And did Mr. Mueller
23 ever say that a monthly payment to a 575P investor was
24 an administrative expense of the Fund?

25 | MR. HULINGS: Objection. Sorry. I had

1 trouble following that. Vague.

2 A. I don't recall him specifically talking about
3 the 575P payments being an administrative expense.

4 Q. (BY MS. WARDEN) Okay. Let me share another
5 document with you. Mr. Spradlin, I'm showing what's
6 been previously been marked Exhibit 7. It is Bates
7 No. SEC-deeproot-E-0152250 through 0152268. Do you
8 recognize this document?

9 A. Yes.

10 Q. Okay. And what is it?

11 A. The -- looks like the ppm for the dGRD.

12 Q. Okay. Let me -- and what's your understanding
13 of who drafted Exhibit 7?

14 MR. HULINGS: Asked and answered.

15 A. Robert with the help of his attorney.

16 Q. (BY MS. WARDEN) Okay. And then direct your
17 attention to pdf page 11 which is 0152260. Okay. Do
18 you see the sentence that I'm highlighting? So under
19 the section, "Risks-Illiquidity," it says, "In addition,
20 by using our ultimate parent company, Policy Services,
21 Inc., as our sole affiliated policy administration
22 provider between us and the insurance carrier, we are
23 unable to raid" -- quote -- "raid the piggy bank," end
24 quote. Do you recall any discussion with Mr. Mueller
25 regarding this sentence?